



General Assembly

January Session, 2001

***Raised Bill No. 6989***

LCO No. 4733

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

***AN ACT REQUIRING HEALTH INSURERS TO CONTINUE COVERAGE  
FOR A FORMER SPOUSE WHO WAS INSURED PRIOR TO A  
DIVORCE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 38a-554 of the general statutes is repealed and the following  
2 is substituted in lieu thereof:

3 A group comprehensive health care plan shall contain the minimum  
4 standard benefits prescribed in section 38a-553 and shall also conform  
5 in substance to the requirements of this section.

6 (a) The plan shall be one under which the individuals eligible to be  
7 covered include: (1) Each eligible employee; (2) the spouse of each  
8 eligible employee, who shall be considered a dependent for the  
9 purposes of this section; and (3) dependent unmarried children, who  
10 are under the age of nineteen or are full-time students under the age of  
11 twenty-three at an accredited institution of higher learning.

12 (b) The plan shall provide the option to continue coverage under  
13 each of the following circumstances until the individual is eligible for  
14 other group insurance: (1) Notwithstanding any [contrary] provision

15 of this section, upon layoff, reduction of hours, leave of absence, or  
16 termination of employment, other than as a result of death of the  
17 employee or as a result of such employee's "gross misconduct" as that  
18 term is used in 29 USC 1163(2), continuation of coverage for such  
19 employee and [his] such employee's covered dependents for the  
20 periods set forth for such event under federal extension requirements  
21 established by the Consolidated Omnibus Budget Reconciliation Act of  
22 1985 (P.L. 99-272), as amended from time to time, (COBRA); (2) upon  
23 the death of the employee, continuation of coverage for the covered  
24 dependents of such employee for the periods set forth for such event  
25 under federal extension requirements established by the Consolidated  
26 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
27 from time to time, (COBRA); (3) during an employee's absence due to  
28 illness or injury, continuation of coverage for such employee and [his]  
29 such employee's covered dependents during continuance of such  
30 illness or injury or for up to twelve months from the beginning of such  
31 absence; (4) upon termination of the group plan, coverage for covered  
32 individuals who were totally disabled on the date of termination [.]  
33 shall be continued without premium payment during the continuance  
34 of such disability for a period of twelve calendar months following the  
35 calendar month in which the plan was terminated, provided claim is  
36 submitted therefor within one year of the termination of the plan; (5)  
37 the coverage of any covered individual shall terminate: (A) As to a  
38 child, the plan shall provide the option for said child to continue  
39 coverage for the longer of the following periods: (i) At the end of the  
40 month following the month in which the child marries, ceases to be  
41 dependent on the employee or attains the age of nineteen, whichever  
42 occurs first, except that if the child is a full-time student at an  
43 accredited institution, the coverage may be continued while the child  
44 remains unmarried and a full-time student, but not beyond the month  
45 following the month in which the child attains the age of twenty-three.  
46 If on the date specified for termination of coverage on a dependent  
47 child, the child is unmarried and incapable of self-sustaining  
48 employment by reason of mental or physical handicap and chiefly

49 dependent upon the employee for support and maintenance, the  
 50 coverage on such child shall continue while the plan remains in force  
 51 and the child remains in such condition, provided proof of such  
 52 handicap is received by the carrier within thirty-one days of the date  
 53 on which the child's coverage would have terminated in the absence of  
 54 such incapacity. The carrier may require subsequent proof of the  
 55 child's continued incapacity and dependency but not more often than  
 56 once a year thereafter, or (ii) for the periods set forth for such child  
 57 under federal extension requirements established by the Consolidated  
 58 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
 59 from time to time, (COBRA); (B) as to the employee's spouse [, at the  
 60 end of the month following the month in which] after a divorce, court-  
 61 ordered annulment or legal separation is obtained, whichever is  
 62 earlier, [except that the plan shall provide the option for said spouse to  
 63 continue coverage for the periods set forth for such events under  
 64 federal extension requirements established by the Consolidated  
 65 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
 66 from time to time, (COBRA)] as of midnight of the day preceding such  
 67 spouse's eligibility for Medicare benefits under Title XVIII of the  
 68 federal Social Security Act (42 USC 1395 et seq.); and (C) as to the  
 69 employee or dependent who is sixty-five years of age or older, as of  
 70 midnight of the day preceding such person's eligibility for Medicare  
 71 benefits under Title XVIII of the federal Social Security Act (42 USC  
 72 1395 et seq.); (6) as to any other event listed as a "qualifying event" in  
 73 29 USC 1163, as amended from time to time, continuation of coverage  
 74 for such periods set forth for such event in 29 USC 1162, as amended  
 75 from time to time, provided such plan may require the individual  
 76 whose coverage is to be continued to pay up to the percentage of the  
 77 applicable premium as specified for such event in 29 USC 1162, as  
 78 amended from time to time. [; (7) any] Any continuation of coverage  
 79 required by this section except subdivision (4) or (6) of this subsection  
 80 may be subject to the requirement, on the part of the individual whose  
 81 coverage is to be continued, that such individual contribute that  
 82 portion of the premium [he] the individual would have been required

83 to contribute had the employee remained an active covered employee,  
84 except that the individual may be required to pay up to one hundred  
85 two per cent of the entire premium at the group rate if coverage is  
86 continued in accordance with subdivision (1), (2) or (5) of this  
87 subsection. [, provided the] The employer shall not be legally obligated  
88 by sections 38a-505, 38a-546 and 38a-551 to 38a-559, inclusive, to pay  
89 such premium if not paid timely by the employee.

90 (c) The commissioner shall [promulgate] adopt regulations, in  
91 accordance with chapter 54, concerning coordination of benefits  
92 between the plan and other health insurance plans.

93 (d) The plan shall make available to Connecticut residents, in  
94 addition to any other conversion privilege available, a conversion  
95 privilege under which coverage shall be available immediately upon  
96 termination of coverage under the group plan. The terms and benefits  
97 offered under the conversion benefits shall be at least equal to the  
98 terms and benefits of an individual comprehensive health care plan.

***Statement of Purpose:***

To require health insurers to continue coverage for a spouse after a divorce until the former spouse is either eligible for other group coverage or Medicare, and to allow insurers to charge a spouse for such coverage.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*